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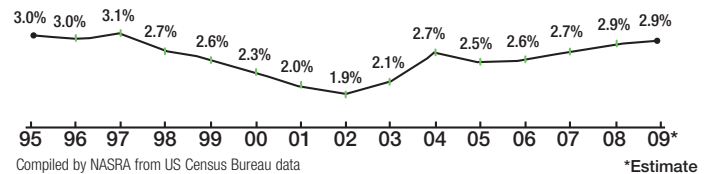
Taxpayer Contributions

The issue of employer (taxpayer) contributions to fund pension benefits for employees of state and local governments has been the focus of much media attention lately. In most states, a relatively small portion of total state and local government spending is committed to public pensions.

The chart shows that on a national basis in 2009 less than three percent of all state and local government spending is for employer pension contributions; Alabama is at 2.9 percent. This percentage varies by state. Some or substantially all public employees in some states do not participate in Social Security,

such as Nevada at 5.4 percent. As a result, these states tend to have pension benefits that are more costly than those who do participate in Social Security. ■

Employer (Taxpayer) Contributions as a % of all State and Local Government Spending



The Shameful Attack on Public Employees

By Robert Reich, Former Secretary of Labor in the Clinton Administration

In 1968, 1,300 sanitation workers in Memphis went on strike. The Rev. Martin Luther King, Jr. came to support them. That was where he lost his life. Eventually Memphis heard the grievances of its sanitation workers. And in subsequent years millions of public employees across the nation have benefited from the job protections they've earned.

But now the right is going after public employees.

Public servants are convenient scapegoats. Republicans would rather deflect attention from corporate executive pay that continues to rise as corporate profits soar, even as corporations refuse to hire more workers. They don't want stories about Wall Street bonuses, now higher than before taxpayers bailed out the Street. And they'd like to avoid a spotlight on the billions raked in by hedge-fund and private-equity managers whose income is treated as capital gains and subject to only a 15 percent tax, due to a loophole in the tax laws designed specifically for them.

It's far more convenient to go after people who are doing the public's work—sanitation workers, police officers, fire fighters, teachers, social workers, federal employees—to call them “faceless bureaucrats” and portray them as hooligans who are making off with your money and crippling federal and state budgets. The story fits better with the Republican's Big Lie that our problems are due to a government that's too big.

Above all, Republicans don't want to have to justify continued tax cuts for the rich. As quietly as possible, they want to make them permanent.

But the right's argument is shot-through with bad data, twisted evidence, and unsupported assertions.

They say public employees earn far more than private-sector workers. That's untrue when you take account of level of education. Matched by education, public sector workers actually earn less than their private-sector counterparts.

The Republican trick is to compare apples with oranges—the average wage of public employees with the average wage of all private-sector employees. But only 23 percent of private-sector employees have college degrees; 48 percent of government workers do. Teachers, social workers, public lawyers who bring companies to justice, government accountants who try to make sure money is spent as it should be—all need at least four years of college.

Compare apples to apples and you'd see that over the last fifteen years the pay of public sector workers has dropped relative to private-sector employees with the same level of education. Public sector workers now earn 11 percent less than comparable workers in the private sector, and local workers 12 percent less. (Even if you include health and retirement benefits, government employees still earn less than their private-sector counterparts with similar educations.)

Here's another whopper. Republicans say public-sector pensions are crippling the nation. They say politicians have given in to the demands of public unions who want only to fatten their members' retirement benefits without the public noticing. They charge that public-employee pension obligations are out of control.

Continued on page 3

The Toronto Star (Canada)

By Pat Brennan

Alabama businessman David Bronner was quite impressed with his stay at the Banff Springs Hotel in Alberta.

That's why he tried to duplicate the historic hotel as his crowning glory when building the world's biggest golf course. Actually, it's a golf trail—The Robert Trent Jones Golf Trail.

Bronner has created a collection of 26 different golf courses strung out across 11 locations on a line through the state of Alabama.

The *Renaissance Ross Bridge Golf Resort & Spa*, just outside Birmingham, is the newest and claims to be the finest of the public courses making up this golf trail. By itself, Ross Bridge is one of the longest golf courses in the world at more than 8,100 yards.

It was amidst the heavily-treed rolling hills of Shannon Valley that Bronner chose to erect his salute to the Banff Springs Hotel. His hotel has spires protruding above the tree tops, much like the Banff Springs.

But Bronner acknowledges it's impossible to duplicate the grandeur, history, and spectacular scenery of the 768-room Banff Springs Hotel, which opened in 1911. "He just wanted to portray the same flavour and image of the Banff Springs," said Bill Lang, media relations officer for the golf trail.

In keeping with the Scottish Baronial Castle flavour of the Banff Springs Hotel, Bronner has a lone bagpiper play the sun down each night in the central courtyard at The Ross Bridge.

Bronner's hotel doesn't offer some of the world's finest downhill skiing just

outside its door, but it does have year-round golf. Lang said the RTJ Trail sees a lot of Canadian golfers each winter.

Bronner was the assistant dean of law at the University of Alabama when he was asked to head up the state's employee pension fund in 1973. The fund had \$500 million in cash and was owed \$1.5 billion by the state.

Those figures scared him and he looked for ways to build up the reserve and at the same time help out Alabama's economy. Bronner likes golf. He reasoned that with Alabama's temperate weather, rolling green forests, ocean shore line, excellent highways, and down home hospitality, his state should be a golf Mecca.

He decided to create upscale golf courses to attract tourists to Alabama and persuaded renowned golf course architect Robert Trent Jones to come out of retirement and design a series of golf courses to run the full length of Alabama. Ironically, Jones designed the world-famous Banff Springs Golf Course in 1928 when in partnership with Toronto's famous golf course designer Stanley Thompson.

Jones died in 2000 at the age 94 and his protégé Roger Rulewich designed the Ross Bridge Championship course on the Robert Trent Jones Golf Trail. The hotel, owned by the Retirement Systems of Alabama and operated under the Marriott Renaissance flag, was designed by Goodwyn, Mills & Cawood, one of the largest architectural/engineering firms in the U.S. Southeast.

Most of its 259 rooms have balconies looking out on the golf course.

Renaissance Ross Bridge has also developed a reputation as one of America's finest spa resorts. Plus, it is the home base for the Porsche Sport Driving School at nearby Barber Motorsport Park, where professional race drivers will teach you performance driving at \$1,795/day.

Golf is somewhat less expensive. During January and February greens fees are \$96 U.S./round and jump to \$136 on March 1. A golf cart adds another \$16 for 18 holes. At other courses on the RTJ Trail greens fees range from \$45 to \$145. Spring and fall are the most popular times on the RTJ courses. Summer days in Alabama often hover around 100F/38C.

Ross Bridge derives its name from a nearby attractive stone bridge built in 1858 by the Confederate Army to move its troop trains over a farm and a creek owned by James Taylor Ross. The bridge is an historical site today.

The Ross Bridge resort is about 20 miles south of Birmingham International Airport. USAir has a dozen flights a day out of Toronto to Birmingham, several of them 4 hours and 20 minutes in duration via Charlotte, North Carolina, for \$287 return. It is 983 miles, about 17 hours, by car.

The Robert Trent Jones Golf Trail has become one of Alabama's most popular tourist attractions and Bronner, 66, has grown the state employees' pension fund to more than **\$25 billion**. Lang says most of the golf courses along the RTJ Trail have resort hotels attached and each has a variety of package deals available.

More details are available at www.rtgolf.com. ■



The Shops of Grand River Wins Audubon Award

The Shops of Grand River in Leeds—created in collaboration with the Daniel Corporation, US Steel Real Estate, and the RSA—has been officially designated as a **Certified Gold Audubon International Signature**

Sanctuary. Grand River is the first certified Signature Sanctuary in Alabama.

Grand River was presented this award for giving protection to the natural resources of the state of Alabama by successfully integrating an ecosystem

approach to design, construction, and management of the development. Grand River joins Audubon International's family of environmentally sensitive properties around the world demonstrating a commitment to sustainable development. ■

The Shameful Attack on Public Employees | *continued from page one*

Some reforms do need to be made. Loopholes that allow public sector workers to “spike” their final salaries in order to get higher annuities must be closed. And no retired public employee should be allowed to “double dip,” collecting more than one public pension.

But these are the exceptions. Most public employees don’t have generous pensions. After a career with annual pay averaging less than \$45,000, the typical newly-retired public employee receives a pension of \$19,000 a year. Few would call that overly generous.

And most of that \$19,000 isn’t even on taxpayers’ shoulders. While they’re working, most public employees contribute a portion of their salaries into their pension plans. Taxpayers are directly responsible for only about 14 percent of public retirement benefits. Remember also that many public workers aren’t covered by Social Security, so the government isn’t contributing 6.25 percent of their pay into the Social Security fund as private employers would.

Yes, there’s cause for concern about unfunded pension liabilities in future years. They’re way too big. But it’s much the same in the private sector. The main reason for underfunded pensions in both public and private sectors is investment losses that occurred during the Great Recession. Before then, public pension funds had an average of 86 percent of all the assets they needed to pay future benefits—better than many private pension plans.

The solution is no less to slash public pensions than it is to slash private ones. It’s for all employers to fully fund their pension plans.

The final Republican canard is that bargaining rights for public employees have caused state deficits to explode. In fact there’s no relationship between states whose employees have bargaining rights and states with big deficits. Some states that deny their employees bargaining rights—Nevada, North Carolina, and Arizona, for example, are running giant deficits of over 30 percent of spending. Many that give employees bargaining rights—Massachusetts, New Mexico, and Montana—have small deficits of less than 10 percent.

Public employees should have the right to bargain for better wages and working conditions, just like all employ-

ees do. They shouldn’t have the right to strike if striking would imperil the public, but they should at least have a voice. They often know more about whether public programs are working, or how to make them work better, than political appointees who hold their offices for only a few years.

Don’t get me wrong. When times are tough, public employees should have to make the same sacrifices as everyone else. And they are right now. Pay has been frozen for federal workers and for many state workers across the country as well.

But isn’t it curious that when it comes to sacrifice, Republicans don’t include the richest people in America? To the contrary, they insist the rich should sacrifice even less, enjoying even larger tax cuts that expand public-sector deficits. That means fewer public services, and even more pressure on the wages and benefits of public employees.

It’s only average workers—both in the public and the private sectors—who are being called upon to sacrifice.

This is what the current Republican attack on public-sector workers is really all about. Their version of class warfare is to pit private-sector workers against public servants. They’d rather set average working people against one another—comparing one group’s modest incomes and benefits with another group’s modest incomes and benefits—than have Americans see that the top 1 percent is now raking in a bigger share of national income than at any time since 1928, and paying at a lower tax rate. And Republicans would rather you didn’t know they want to cut taxes on the rich even more. ■

The Birmingham News

WORTH NOTING: Ross Bridge Recognition

People who live in Ross Bridge may have claimed it was so all along, but now it’s official: It is the “Best Community in America.”

So said the National Association of Home Builders, in its “Best in American Living” ceremony Friday in Orlando.

The Daniel Corp. development—created in collaboration with USS Real Estate and the Retirement Systems of Alabama—has close to 900 homes already and is expected to have 2,400 when all the single-family dwellings and multi-family units are completed.

Its centerpiece is the Renaissance Hotel and Ross Bridge Golf Resort, but there are other amenities in place or planned for the community, including pools, playgrounds and commercial properties.

The attention to detail in the design makes Ross Bridge a great place to look at. And the attention to detail in building a true neighborhood—with events such as movie nights, farmers markets and Easter egg hunts—makes it a great place to live.

Congratulations to the “Best Community in America.” ■

Cancer

Could preventing cancer be as simple as popping an aspirin a day? According to an analysis of data on more than 25,000 volunteers who in trials took low-dose aspirin or a placebo in trials to lower their risk of heart disease, researchers found that the aspirin takers reduced their risk of dying from solid cancers by 21% vs. the placebo group during a five-year follow-up. The results open the possibility that aspirin may become a powerful tool in the prevention of a variety of cancers.

(Editor’s Note: Most useful to those starting in late 40s and early 50s.)

ENJOY YOUR SPRING
A Special Deal
FOR RSA MEMBERS

**The Battle House,
A Renaissance Hotel – Mobile – \$99**

- March 1–2, 13–15, 20–23, 27–31
- April 3–7, 10–12, 17–21, 24–26 • May 1–8, 22–31

**The Renaissance Riverview Plaza –
Mobile – \$89**

- March 1–2, 13–15, 20–23, 27–31
- April 3–7, 10–12, 17–21, 24–26 • May 1–8, 22–31

Marriott Grand – \$99 plus a 15% resort fee

- March 1, 6–15, 20–24, 27–30
- April 10–14, 19–21, 24–27 • May 17, 22–26

Marriott Grand – RSA Golf Package – \$169

Ask for code – LOCD

Includes: Deluxe Room, One Round of Golf for Two People.
Call for Tee Times after booking package

- March 1, 6–15, 20–24, 27–30
- April 10–14, 19–21, 24–27 • May 17, 22–26

Marriott Shoals – Florence – \$89

- March 9–10, 13–14, 27–29
- April 3–4, 10–11, 27–28 • May 6–9, 11–12, 22–24

Renaissance Ross Bridge – Hoover – \$99

- March 1, 4–12, 29–30 • April 3–5, 11, 17–19, 22–25
- May 1, 4–8, 15, 21–22, 25–27, 30–31

Opelika Marriott – \$89

- March 1–5, 12–20, 23, 25–26, 28–31
- April 1–6, 8–13, 17–25, 28
- May 2–3, 6–7, 10–15, 19–31

Prattville Marriott – \$89

- March 2, 5, 8–9, 12–18, 20, 25–31
- April 1–3, 8–9, 15–18, 21–26, 28
- May 1–3, 7–9, 11–12, 15–24, 26–31

Renaissance Montgomery – \$99

- March 4–7, 20, 27 • April 3, 9–10, 21–25
- May 1, 4–8, 15–18, 21, 27–31

RSA Spa Package – \$159

Ask for code – LOCD Includes Deluxe Room

- March None Available • April 21
- May 4–5, 17–18, 31

*Rates available the 1st of the month
and are not applicable to groups.*

Code: RABM, 800-228-9290

Internet promo code: R2A on marriott.com

Book Online and Save RSA \$4.


ERS Board Seeks Candidates for Upcoming Election

Candidates are now being sought for the Retired Local Employee Position for the ERS Board of Control. The position will be filled in a statewide election that will take place this June. The nominee must be a retired member of the ERS by virtue of employment with a local agency (city, county, town, public or quasi-public agency). This position is a three-year term beginning October 1, 2011, and ending September 30, 2014. This position is currently held by Mr. James Fibbe.

Nomination packets are available on our Web site at www.rsa-al.gov or you may contact Deborah Kirk at 334.517.7192 or 877.517.0020. The completed petition must be returned to the ERS office by 4:00 p.m., April 15, 2011.

TRS Members Re-elect Mrs. Sallie B. Cook

Congratulations to Mrs. Sallie B. Cook for being re-elected to the Retired Position, No. 2 of the TRS Board of Control. Mrs. Cook will begin a three-year term on July 1, 2011.



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Report—Street Lights that are Out—to the Power Company!
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